

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

vs.

CRAIG ARSENAULT, ATLAS
CAPITAL MANAGEMENT, INC.,
and ACT GLOBAL INVESTMENTS,

Defendants.

Case No. 8:18-cv-02220-DOC (KESx)

**JUDGEMENT AS TO
DEFENDANT ACT GLOBAL
INVESTMENTS [23]**

1 The Securities and Exchange Commission having filed a Complaint and
2 Defendant ACT Global Investments (“Defendant”) having entered a general
3 appearance; consented to the Court’s jurisdiction over Defendant and the subject
4 matter of this action; consented to entry of this Judgment without admitting or
5 denying the allegations of the Complaint (except as to jurisdiction and except as
6 otherwise provided herein in paragraph VI); waived findings of fact and conclusions
7 of law; and waived any right to appeal from this Judgment:

8 **I.**

9 IT IS ORDERED, ADJUDGED AND DECREED that Defendant is
10 permanently restrained from, directly or indirectly, in connection with the purchase or
11 sale of any security, by the use of any means or instrumentality of interstate
12 commerce, or of the mails, or of any facility of any national securities exchange:

13 A. employing any device, scheme or artifice to defraud;

14 B. making any untrue statement of material fact or to omit to state a
15 material fact necessary in order to make the statements made, in light of
16 the circumstances in which they were made, not materially misleading;
17 and

18 C. engaging in any act, practice, or course of business which operates or
19 would operate as a fraud or deceit upon any person;

20 in violation of Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rules 10b-
21 5 thereunder [17 C.F.R. §§ 240.10b-5].

22 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
23 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
24 binds the following who receive actual notice of this Judgment by personal service or
25 otherwise: (a) Defendant’s officers, agents, servants, employees, and attorneys; and
26 (b) other persons in active concert or participation with Defendant or with anyone
27 described in (a).

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- A. employing any device, scheme or artifice to defraud;
- B. obtaining money or property by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
- C. engaging in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser;

in violation of Section 17(a) of the Securities Act, 15 U.S.C. § 77q(a).

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant shall pay disgorgement of ill-gotten gains, prejudgment interest thereon, and a civil penalty pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)], Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)], and Section 209(e) of the Advisers Act [15 U.S.C. § 80b-9(e)]. The Court shall determine the amounts of the disgorgement and civil penalty upon motion of the Commission. Prejudgment interest shall be calculated from January 1, 2014 based on the rate of interest used by the Internal Revenue Service for the underpayment of federal income

JUDGEMENT 3

1 tax as set forth in 26 U.S.C. § 6621(a)(2). In connection with the Commission's
2 motion for disgorgement and/or civil penalties, and at any hearing held on such a
3 motion: (a) Defendant will be precluded from arguing that he did not violate the
4 federal securities laws as alleged in the Complaint; (b) Defendant may not challenge
5 the validity of the Consent or this Judgment; (c) solely for the purposes of such
6 motion, the allegations of the Complaint shall be accepted as and deemed true by the
7 Court; and (d) the Court may determine the issues raised in the motion on the basis of
8 affidavits, declarations, excerpts of sworn deposition or investigative testimony, and
9 documentary evidence, without regard to the standards for summary judgment
10 contained in Rule 56(c) of the Federal Rules of Civil Procedure. In connection with
11 the Commission's motion for disgorgement and/or civil penalties, the parties may
12 take discovery, including discovery from appropriate non-parties.

13 **IV.**

14 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the
15 Consent is incorporated herein with the same force and effect as if fully set forth
16 herein, and that Defendant shall comply with all of the undertakings and agreements
17 set forth therein.

18 **V.**

19 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for
20 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code,
21 11 U.S.C. §523, the allegations in the complaint are true and admitted by Defendant,
22 and further, any debt for disgorgement, prejudgment interest, civil penalty or other
23 amounts due by Defendant under this Judgment or any other judgment, order, consent
24 order, decree or settlement agreement entered in connection with this proceeding, is a
25 debt for the violation by Defendant of the federal securities laws or any regulation or
26 order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy
27 Code, 11 U.S.C. § 523(a)(19).
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1 **VI.**

2 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court
3 shall retain jurisdiction of this matter for the purposes of enforcing the terms of this
4 Judgment.

5 **VII.**

6 There being no just reason for delay, pursuant to Rule 54(b) of the Federal
7 Rules of Civil Procedure, the Clerk is ordered to enter this Judgment forthwith and
8 without further notice.

9 SO ORDERED.

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12 Dated: March 12, 2019

David O. Carter

DAVID O. CARTER
UNITED STATES DISTRICT JUDGE